

ASSEMBLY BILL

No. 17

**Introduced by Assembly Member Achadjian
(Coauthor: Assembly Member Linder)**

August 31, 2015

An act to amend Section 39719 of the Health and Safety Code, relating to greenhouse gases, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 17, as introduced, Achadjian. Greenhouse Gas Reduction Fund: state highway operation and protection program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 60% of the annual proceeds of the fund for transit, affordable housing, sustainable communities, and high-speed rail purposes.

This bill, beginning in the 2016–17 fiscal year, would continuously appropriate 25% of the annual proceeds of the fund to fund projects in the state highway operation and protection program.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares that
2 investments in state highway maintenance and rehabilitation reduce
3 congestion and improve fuel efficiency, thereby achieving
4 significant reductions in greenhouse gas emissions.

5 SEC. 2. Section 39719 of the Health and Safety Code is
6 amended to read:

7 39719. (a) The Legislature shall appropriate the annual
8 proceeds of the fund for the purpose of reducing greenhouse gas
9 emissions in this state in accordance with the requirements of
10 Section 39712.

11 (b) To carry out a portion of the requirements of subdivision
12 (a), annual proceeds are continuously appropriated for the
13 following:

14 (1) Beginning in the 2015–16 fiscal year, and notwithstanding
15 Section 13340 of the Government Code, 35 percent of annual
16 proceeds are continuously appropriated, without regard to fiscal
17 years, for transit, affordable housing, and sustainable communities
18 programs as following:

19 (A) Ten percent of the annual proceeds of the fund is hereby
20 continuously appropriated to the Transportation Agency for the
21 Transit and Intercity Rail Capital Program created by Part 2
22 (commencing with Section 75220) of Division 44 of the Public
23 Resources Code.

24 (B) Five percent of the annual proceeds of the fund is hereby
25 continuously appropriated to the Low Carbon Transit Operations
26 Program created by Part 3 (commencing with Section 75230) of
27 Division 44 of the Public Resources Code. ~~Funds Moneys~~ shall be
28 allocated by the Controller, according to requirements of the
29 program, and pursuant to the distribution formula in subdivision
30 (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of,
31 the Public Utilities Code.

32 (C) Twenty percent of the annual proceeds of the fund is hereby
33 continuously appropriated to the Strategic Growth Council for the
34 Affordable Housing and Sustainable Communities Program created
35 by Part 1 (commencing with Section 75200) of Division 44 of the

1 Public Resources Code. Of the amount appropriated in this
2 subparagraph, no less than 10 percent of the annual ~~proceeds~~,
3 *proceeds* shall be expended for affordable housing, consistent with
4 the provisions of that program.

5 (2) Beginning in the 2015–16 fiscal year, notwithstanding
6 Section 13340 of the Government Code, 25 percent of the annual
7 proceeds of the fund is hereby continuously appropriated to the
8 High-Speed Rail Authority for the following components of the
9 initial operating segment and Phase I Blended System as described
10 in the 2012 business plan adopted pursuant to Section 185033 of
11 the Public Utilities Code:

- 12 (A) Acquisition and construction costs of the project.
- 13 (B) Environmental review and design costs of the project.
- 14 (C) Other capital costs of the project.
- 15 (D) Repayment of any loans made to the authority to fund the
16 project.

17 (3) *Beginning in the 2016–17 fiscal year, notwithstanding*
18 *Section 13340 of the Government Code, 25 percent of the annual*
19 *proceeds of the fund is hereby continuously appropriated to the*
20 *State Highway Account in the State Transportation Fund to fund*
21 *projects in the state highway operation and protection program,*
22 *required by Section 14526.5 of the Government Code.*

23 (c) In determining the amount of annual proceeds of the fund
24 for purposes of the calculation in subdivision (b), the funds subject
25 to Section 39719.1 shall not be included.

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